



NATIONAL ASSOCIATION OF CANNABIS BUSINESSES

# Vermont Social Equity Sub-Committee

Discussion Guide for  
Week of 10/04/21



# SOCIAL EQUITY

## SUB-COMMITTEE

- NACB
    - Gina Kranwinkel
    - Geoffrey Gallegos
    - Deneka Scott
  - CCBAC
    - Nader Hashim
    - Ashley Reynolds
    - TJ Donovan
- 
- State of VT (*in consultation*)
    - Xusana Davis, Executive Director of Racial Equity, Diversity
    - Lindsay Kurrle, Secretary – Agency of Commerce and Community Development

- Program Design (*stakeholder engagement plan*)
- Applicant Program Design & Execution
- Ongoing program administration including transferability of Social Equity licenses

## MILESTONES

- **OCTOBER 1, 2021**
  - Plan for reducing or eliminating fees for SE applicants
- **OCTOBER 15, 2021**
  - Develop criteria for SE applicants for the purpose of obtaining social equity loans and grants from the Cannabis Business Development Fund
- **NOVEMBER 2021**
  - Meet with the relevant subcommittees of the Advisory Committee and stakeholders to assist in the design of a social equity program

# AGENDA

- Call to Order
- Summary of Public Comments received electronically
- Transfer of License - VOTE
- Benefits for SE applicants
- Special Licensing for SE applicants
- Public Comments (in person)

# Electronically submitted Public Comments (Summarized)

**Submit Public Comments to:**

- **[https://ccb.vermont.gov/form/  
publicinputform](https://ccb.vermont.gov/form/publicinputform)**

# Approval of meeting minutes

- Thursday, September 30, 2021

# AGENDA Item: Business Transfer

Consider transfer of social equity license (business)

# Social Equity License (Business) Transfer

Transfer to another Social Equity License is permitted, however, the new SE licensee must take over the previous owner's fee schedule.

- Ex. 3<sup>rd</sup> year transfer – 3<sup>rd</sup> year fee applies
- Transfer to a non-SE Licensee, within 5 years, new licensee will need to repay any cost savings the company received to the social equity program.
- After 5 years, transfer of ownership is allowed without penalty.

# AGENDA Item: Benefits

Consider social equity program benefits

# ILLINIOS – Social Equity Benefits

## **Licensing preference**

**Receive training and technical assistance in the following areas:**

- business plans
- applying for cannabis licenses

## **Access to low-interest loans**

# MASSACHUSETTS – Social Equity Benefits

## **Delivery-Only & Social Consumption**

- Only Social Equity Candidates until 2024

## **Licensing preference**

### **Receive training and technical assistance in the following areas:**

- Management, recruitment, and employee training
- Accounting and sales forecasting
- Tax preparation and compliance
- Legal compliance
- Business plan creation and operational development
- Marijuana industry best practices
- Assistance with identifying or raising funds or capital.

## **Access to low-interest loans**

# MICHIGAN – Social Equity Benefits

**Licensing preference**

**Receive technical assistance - online workshops**

**Joint Ventures Pathway Program (JVPP):** to connect SE with companies willingly to provide like to Mentorships, Incubator programs, Employment

# Social Equity Benefits

Any social equity candidate (cannabis industry employee or licensee holder) are eligible for SE benefits.

- **Priority licensing and processing**
- **Educational Courses: Cannabis Certificates**
- **Receive training and technical assistance (workshops) in the following areas:**
  - Application assistance
  - Business plan creation and operational development
  - Tax and legal compliance
  - Cannabis industry best practices

**Access to low-interest loans**

**Exclusive Licenses: Co-op & Delivery Service**

# Exclusive Licenses

Cooperative License (Co-op)

Delivery License

- Exclusive to Social Equity candidate
- Time Limit of Exclusivity ???

# DELIVERY LICENSE

- Courier Service for dispensaries
- Delivery to customers
- Must have reliable vehicle car with alarm system, GPS tracking device, a way of locking cannabis.

# CO-OP LICENSE – Why?

## Reasons for consideration:

- Funding in the Cannabis Business Development Fund is limited
  - \$500,000 allocation
  - Possible funds but not definite: additional \$50,000 from each Integrated Licensee
- Dividing the loans/grants between licensees could result in two adverse results:
  - Small loans for applicants
  - Large loans for very few applicants
- Cannabis business is expensive to maintain
- Don't want to set Social Equity Applicant up for failure.
- Working together united is stronger

# CO-OP LICENSE - Approaches

Different approach to share resources:

- Property
  - Pool resources from what would otherwise be small loans
  - VT Cannabis Control Board lease/purchase land and equipment for SE candidates to work together
  - SE candidates pay small monthly rent to support program.
  - Cultivate, process, and sell cannabis from the licensed premises (works well with the farm to consumer license)

# Public Comments

## In-Person Public Comments

**Provide written Public Comments**

**<https://ccb.vermont.gov/form/publicinputform>**

# Material to Read

- **NACB Comparison of State Cannabis Social Equity Provisions Chart**

**[https://uploads-ssl.webflow.com/5d08f10495e8370c8381a6df/61000bbc6c7acf7a38554211\\_NACB\\_SocialEquityChart%20Word%20Updated%207.21.pdf](https://uploads-ssl.webflow.com/5d08f10495e8370c8381a6df/61000bbc6c7acf7a38554211_NACB_SocialEquityChart%20Word%20Updated%207.21.pdf)**